

ASSEMBLY BILL NO. 562—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE REAL ESTATE DIVISION)

MARCH 26, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing persons regulated by the Real Estate Division of the Department of Business and Industry. (BDR 54-584)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to real estate; revising provisions governing persons regulated by the Real Estate Division of the Department of Business and Industry; imposing certain notification requirements on such persons; authorizing the limited disclosure of certain confidential information; increasing the maximum administrative fines that may be imposed for certain violations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Real Estate Division of the Department of Business and
2 Industry is responsible for regulating various persons who work in the real estate
3 industry in this State. (Chapters 116A, 119, 119A, 119B, 645, 645C and 645D of
4 NRS) **Sections 1, 9, 13, 15, 19, 23 and 27** of this bill require that persons regulated
5 under those chapters notify the Division in writing if they are convicted of, or enter
6 a plea of guilty or nolo contendere to, certain crimes. **Sections 5, 10, 14, 16, 18, 22**
7 **and 26** of this bill provide that certain confidential information concerning
8 complaints filed against such persons and investigations of those complaints may
9 be disclosed for certain limited purposes, including disclosure as necessary to
10 administer certain statutory provisions or to a licensing board or a law enforcement
11 or other governmental agency that is investigating such persons. **Sections 6 and 12**
12 of this bill increase the maximum administrative fines that may be imposed for
13 certain violations.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 645 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A licensee, property manager or owner-developer shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to:

(a) A felony relating to the practice of the licensee, property manager or owner-developer; or

(b) Any crime involving fraud, deceit, misrepresentation or moral turpitude.

2. A licensee, property manager or owner-developer shall submit the notification required by subsection 1:

(a) Not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere; and

(b) When submitting an application to renew a license, permit or registration issued pursuant to this chapter.

Sec. 2. NRS 645.440 is hereby amended to read as follows:

645.440 1. If the Division, after an application for a license in proper form has been filed with it, accompanied by the proper fee, denies an application, the Division shall give notice of the ~~fact~~ *denial* to the applicant within 15 days after its ruling, order or decision.

2. Upon written request from the applicant, filed within 30 days after receipt of that notice by the applicant, the President of the Commission shall set the matter for a hearing to be conducted ~~[within 90 days]~~ *at the next meeting of the Commission held pursuant to NRS 645.150* after receipt of the applicant's request if the request *is received at least 20 days before the meeting and* contains allegations which, if true, qualify the applicant for a license.

3. The hearing must be held at such time and place as the Commission prescribes. At least 15 days before the date set for the hearing, the Division shall notify the applicant and shall accompany the notification with an exact copy of any protest filed, together with copies of all communications, reports, affidavits or depositions in the possession of the Division relevant to the matter in question. Written notice of the hearing may be served by delivery personally to the applicant, or by mailing it by certified mail to the last known address of the applicant.

4. The hearing may be held by the Commission or by a majority of its members, and a hearing must be held, if the applicant so desires. A record of the proceedings, or any part thereof, must be



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1 made available to each party upon the payment to the Division of
2 the reasonable cost of transcription.

3 5. The Commission shall render a written decision on any
4 appeal within 60 days after the final hearing and shall notify the
5 parties to the proceedings, in writing, of its ruling, order or decision
6 within 15 days after it is made.

7 6. If an applicant has made a false statement of material fact on
8 his application, the false statement may in itself be sufficient ground
9 for refusal of a license.

10 **Sec. 3.** NRS 645.575 is hereby amended to read as follows:

11 645.575 1. The Commission shall adopt regulations that
12 prescribe the standards for the continuing education of persons
13 licensed pursuant to this chapter. ~~Until the Commission adopts such~~
14 ~~regulations, the standards for continuing education are as follows:~~

15 ~~—(a) For renewal of a license which is on active status, a~~
16 ~~requirement for the hours of attendance at any approved educational~~
17 ~~course, seminar or conference of:~~

18 ~~—(1) Thirty hours within the first year immediately after initial~~
19 ~~licensing; and~~

20 ~~—(2) Fifteen hours within each subsequent 2 year period~~
21 ~~before renewal.~~

22 ~~→ For each period, at least 6 of the hours must be devoted to ethics,~~
23 ~~professional conduct or the legal aspects of real estate.~~

24 ~~—(b) For reinstatement of a license which has been placed on~~
25 ~~inactive status, a requirement for total attendance at any approved~~
26 ~~educational course, seminar or conference of:~~

27 ~~—(1) Thirty hours if the license was on inactive status for 2~~
28 ~~years or less during the initial license period;~~

29 ~~—(2) Fifteen hours if the license was on inactive status for a~~
30 ~~period of 2 years or less, no part of which was during the initial~~
31 ~~license period;~~

32 ~~—(3) Forty five hours if the license was on inactive status for a~~
33 ~~period of more than 2 years, part of which was during the initial~~
34 ~~license period; or~~

35 ~~—(4) Thirty hours if the license was on inactive status for a~~
36 ~~period of more than 2 years, no part of which was during the initial~~
37 ~~license period.~~

38 ~~→ For each period, at least 6 of the hours must be devoted to ethics,~~
39 ~~professional conduct or the legal aspects of real estate.~~

40 ~~—(c) A basis and method of qualifying educational programs and~~
41 ~~certifying attendance which will satisfy the requirements of this~~
42 ~~section.~~

43 ~~—(d) A procedure for the evaluation of petitions based on a claim~~
44 ~~of equivalency with the requirements of paragraph (a) or (b).~~

45 ~~—(e) A system of controlling and reporting qualifying attendance.~~



~~(f) A statement of the conditions for which an extension of time may be granted to comply with the continuing education requirements as well as a method of applying and qualifying for an extension.]~~

2. The standards ~~[prescribed in]~~ *adopted pursuant to* subsection 1 must permit alternatives of subject material, taking cognizance of specialized areas of practice and alternatives in sources of programs considering availability in area and time. The standards must include, where qualified, generally accredited educational institutions, private vocational schools, educational programs and seminars of professional societies and organizations, other organized educational programs on technical subjects, or equivalent offerings. The Commission shall qualify only those educational courses that it determines address the appropriate subject matter and are given by an accredited university or community college. Subject to the provisions of this section, the Commission has exclusive authority to determine what is an appropriate subject matter for qualification as a continuing education course.

3. In addition to any other standards for continuing education that the Commission adopts by regulation pursuant to this section, the Commission may, without limitation, adopt by regulation standards for continuing education that:

(a) Establish a postlicensing curriculum of continuing education which must be completed by a person within the first year immediately after initial licensing of the person.

(b) Require a person whose license as a real estate broker or real estate broker-salesman has been placed on inactive status for any reason for 1 year or more or has been suspended or revoked to complete a course of instruction in broker management that is designed to fulfill the educational requirements for issuance of a license which are described in paragraph (d) of subsection 2 of NRS 645.343, before the person's license is reissued or reinstated.

4. Except as otherwise provided in this subsection, the license of a real estate broker, broker-salesman or salesman must not be renewed or reinstated unless the Administrator finds that the applicant for the renewal license or for reinstatement to active status has completed the continuing education required by this chapter. Any amendment or repeal of a regulation does not operate to prevent an applicant from complying with this section for the next licensing period following the amendment or repeal.

Sec. 4. NRS 645.6052 is hereby amended to read as follows:

645.6052 1. A person who is licensed pursuant to this chapter as a real estate broker, real estate broker-salesman or real estate



1 salesman may apply to the Real Estate Division for a permit to
2 engage in property management.

3 2. An applicant for a permit must:

4 (a) Furnish proof satisfactory to the Division that he has
5 successfully completed at least 24 classroom hours of instruction in
6 property management; and

7 (b) Comply with all other requirements established by the
8 Commission for the issuance of a permit.

9 3. A permit expires, and may be renewed, at the same time as
10 the license of the holder of the permit.

11 4. An applicant for the renewal of a permit must:

12 (a) Furnish proof satisfactory to the Division that he has
13 successfully completed at least 3 of the hours of the continuing
14 education required for the renewal of his license pursuant to *the*
15 *regulations adopted by the Commission pursuant to* NRS 645.575
16 in an approved educational course, seminar or conference
17 concerning property management; and

18 (b) Comply with all other requirements established by the
19 Commission for the renewal of a permit.

20 5. The Commission may adopt such regulations as it
21 determines are necessary to carry out the provisions of this section.
22 The regulations may, without limitation:

23 (a) Establish additional requirements for the issuance or renewal
24 of a permit.

25 (b) Establish fees for the issuance and renewal of a permit and
26 fees to pay the costs of:

27 (1) Any examination for a permit, including any costs which
28 are necessary for the administration of such an examination.

29 (2) Any investigation of an applicant's background.

30 (c) Set forth standards of education for the approval of a course
31 of instruction to qualify an applicant for a permit.

32 **Sec. 5.** NRS 645.625 is hereby amended to read as follows:

33 645.625 1. Except as otherwise provided in this section, a
34 complaint filed with the Division alleging a violation of this chapter,
35 all documents and other information filed with the complaint and all
36 documents and other information compiled as a result of an
37 investigation conducted to determine whether to initiate disciplinary
38 action are confidential **[H]** *and may be disclosed in whole or in part*
39 *only as necessary in the course of administering this chapter or to*
40 *a licensing board or agency or any other governmental agency,*
41 *including, without limitation, a law enforcement agency, that is*
42 *investigating a person who holds a license, permit or registration*
43 *issued pursuant to this chapter.*

44 2. A complaint or other document filed with the Commission
45 to initiate disciplinary action and all documents and information



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1 considered by the Commission when determining whether to impose
2 discipline are public records.

3 **Sec. 6.** NRS 645.630 is hereby amended to read as follows:

4 645.630 1. The Commission may require a licensee, property
5 manager or owner-developer to pay an administrative fine of not
6 more than ~~[\$5,000]~~ **\$10,000** for each violation he commits or
7 suspend, revoke, deny the renewal of or place conditions upon his
8 license, permit or registration, or impose any combination of those
9 actions, at any time if the licensee, property manager or owner-
10 developer has, by false or fraudulent representation, obtained a
11 license, permit or registration, or the licensee, property manager or
12 owner-developer, whether or not acting as such, is found guilty of:

13 (a) Making any material misrepresentation.

14 (b) Making any false promises of a character likely to influence,
15 persuade or induce.

16 (c) Accepting a commission or valuable consideration as a real
17 estate broker-salesman or salesman for the performance of any of
18 the acts specified in this chapter or chapter 119 or 119A of NRS
19 from any person except the licensed real estate broker with whom he
20 is associated or the owner-developer by whom he is employed.

21 (d) Representing or attempting to represent a real estate broker
22 other than the broker with whom he is associated, without the
23 express knowledge and consent of the broker with whom he is
24 associated.

25 (e) Failing to maintain, for review and audit by the Division,
26 each brokerage agreement and property management agreement
27 governed by the provisions of this chapter and entered into by the
28 licensee.

29 (f) Failing, within a reasonable time, to account for or to remit
30 any money which comes into his possession and which belongs to
31 others.

32 (g) If he is required to maintain a trust account:

33 (1) Failing to balance the trust account at least monthly; and

34 (2) Failing to submit to the Division an annual accounting of
35 the trust account as required in NRS 645.310.

36 (h) Commingling the money or other property of his clients with
37 his own or converting the money of others to his own use.

38 (i) In the case of a broker-salesman or salesman, failing to place
39 in the custody of his licensed broker or owner-developer, as soon as
40 possible, any deposit or other money or consideration entrusted to
41 him by any person dealing with him as the representative of his
42 licensed broker.

43 (j) Accepting other than cash as earnest money unless that fact is
44 communicated to the owner before his acceptance of the offer to
45 purchase and that fact is shown in the receipt for the earnest money.



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(k) Upon acceptance of an agreement, in the case of a broker, failing to deposit any check or cash received as earnest money before the end of the next banking day unless otherwise provided in the purchase agreement.

(l) Inducing any party to a brokerage agreement, property management agreement, agreement of sale or lease to break it in order to substitute a new brokerage agreement, property management agreement, agreement of sale or lease with the same or another party if the inducement to make the substitution is offered to secure personal gain to the licensee or owner-developer.

2. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 7. NRS 645.685 is hereby amended to read as follows:

645.685 1. The licensee, permittee or owner-developer shall file an answer to the charges with the Commission ~~no~~ *not* later than 30 days after service of the notice and other documents described in subsection 4 of NRS 645.680. The answer must contain an admission or denial of the allegations contained in the complaint and any defenses upon which the licensee, permittee or owner-developer will rely. If no answer is filed within the ~~time limit~~ *period* described in this subsection, the Division may, after notice to the licensee, permittee or owner-developer served in the manner authorized in subsection 5 of NRS 645.680, move the Commission for the entry of a default against the licensee, permittee or owner-developer.

2. The answer may be served by delivery to the Commission, or by mailing the answer by certified mail to the principal office of the Division.

3. No proceeding to suspend, revoke or deny the renewal of any license or registration of an owner-developer may be maintained unless it is commenced by the giving of notice to the licensee, permittee or owner-developer within ~~3 years of the time~~ *5 years after the date* of the act charged, whether of commission or omission, except:

(a) If the charges are based upon a misrepresentation, or failure to disclose, the period does not commence until the discovery of facts which do or should lead to the discovery of the misrepresentation or failure to disclose; and

(b) Whenever any action or proceeding is instituted to which the Division, licensee, permittee or owner-developer is a party and which involves the conduct of the licensee, permittee or owner-developer in the transaction with which the charges are related, the running of the ~~3-year~~ *5-year* period with respect to the institution of a proceeding pursuant to this chapter to suspend, revoke or deny



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1 the renewal of the license, permit or registration is suspended during
2 the pendency of the action or proceeding.

3 **Sec. 8.** NRS 645.863 is hereby amended to read as follows:

4 645.863 1. A person who is licensed as a real estate broker,
5 real estate broker-salesman or real estate salesman pursuant to this
6 chapter may apply to the Real Estate Division for a permit to engage
7 in business as a business broker.

8 2. An applicant for a permit must:

9 (a) Provide proof satisfactory to the Real Estate Division that he
10 has successfully completed at least 24 hours of ~~classroom~~
11 instruction relating to business brokerage; and

12 (b) Comply with any other requirements for the issuance of a
13 permit established by the Commission.

14 3. A permit expires on the same date as the license of the
15 holder of the permit expires. A permit may be renewed at the time
16 that a person licensed pursuant to this chapter applies for renewal of
17 his license.

18 4. An applicant for the renewal of a permit must:

19 (a) Provide proof satisfactory to the Real Estate Division that he
20 has successfully completed at least 3 hours of continuing education
21 required for the renewal of his license pursuant to *the regulations*
22 *adopted by the Commission pursuant to* NRS 645.575 in an
23 approved educational course, seminar or conference relating to
24 business brokerage.

25 (b) Comply with any other requirements for renewal of a permit
26 established by the Commission.

27 5. The Commission shall adopt such regulations as are
28 necessary to carry out the provisions of this section. The regulations
29 must include, without limitation, provisions that establish:

30 (a) Requirements for the issuance or renewal of a permit.

31 (b) Fees for:

32 (1) The issuance or renewal of a permit;

33 (2) The cost of any examination required of an applicant for
34 a permit, including, without limitation, any costs which are
35 necessary for the administration of an examination; and

36 (3) The cost of any investigation of an applicant for a permit.

37 (c) Standards of education for the approval of a course of
38 instruction to qualify an applicant for the issuance or renewal of a
39 permit.

40 **Sec. 9.** Chapter 645C of NRS is hereby amended by adding
41 thereto a new section to read as follows:

42 *1. A certified or licensed appraiser or registered intern shall*
43 *notify the Division in writing if he is convicted of, or enters a plea*
44 *of guilty or nolo contendere to, a felony relating to the practice of*
45 *appraisers or any offense involving moral turpitude.*



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1 **2. A certified or licensed appraiser or registered intern shall**
2 **submit the notification required by subsection 1:**

3 **(a) Not more than 10 days after the conviction or entry of the**
4 **plea of guilty or nolo contendere; and**

5 **(b) When submitting an application to renew a certificate,**
6 **license or registration card issued pursuant to this chapter.**

7 **Sec. 10.** NRS 645C.225 is hereby amended to read as follows:

8 645C.225 1. Except as otherwise provided in this section, a
9 complaint filed with the Commission, all documents and other
10 information filed with the complaint and all documents and other
11 information compiled as a result of an investigation conducted to
12 determine whether to initiate disciplinary action are confidential ~~and~~
13 **and may be disclosed in whole or in part only as necessary in the**
14 **course of administering this chapter or to a licensing board or**
15 **agency or any other governmental agency, including, without**
16 **limitation, a law enforcement agency, that is investigating a**
17 **person who holds a certificate, license or registration card issued**
18 **pursuant to this chapter.**

19 2. The complaint or other document filed by the Commission
20 to initiate disciplinary action and all documents and information
21 considered by the Commission when determining whether to impose
22 discipline are public records.

23 **Sec. 11.** NRS 645C.410 is hereby amended to read as follows:

24 645C.410 1. If an intern for any reason terminates his
25 association with an appraiser, the appraiser shall:

26 (a) Immediately deliver or mail by certified mail to the Division
27 the intern's registration card, together with a written statement of the
28 circumstances surrounding the termination of the association and a
29 copy of the notice required by paragraph (b); and

30 (b) At the time of delivering or mailing the registration card to
31 the Division, advise the intern that his registration card has been
32 forwarded to the Division by mailing notice of that fact to the
33 intern's last known residential address.

34 2. The registration card must be suspended if the intern does
35 not become associated with another certified ~~or licensed~~ appraiser
36 within ~~30~~ 60 days after the termination of his previous association.

37 3. The intern shall not assist in the preparation or
38 communication, whether directly or indirectly, of an appraisal under
39 the authority of his registration card from the date that the
40 registration card is delivered or mailed by the appraiser with whom
41 his association was terminated to the Division, until the date that a
42 new registration card is issued naming another appraiser with whom
43 the intern has become associated.



Sec. 12. NRS 645C.460 is hereby amended to read as follows:

645C.460 1. Grounds for disciplinary action against a certified or licensed appraiser or registered intern include:

(a) Unprofessional conduct;

(b) Professional incompetence;

(c) A criminal conviction for a felony relating to the practice of appraisers or any offense involving moral turpitude; and

(d) The suspension or revocation of a registration card, certificate, license or permit to act as an appraiser in any other jurisdiction.

2. If grounds for disciplinary action against an appraiser or intern exist, the Commission may do one or more of the following:

(a) Revoke or suspend his certificate, license or registration card.

(b) Place conditions upon his certificate, license or registration card, or upon the reissuance of a certificate, license or registration card revoked pursuant to this section.

(c) Deny the renewal of his certificate, license or registration card.

(d) Impose a fine of not more than ~~[\$1,000]~~ **\$10,000** for each violation.

3. If a certificate, license or registration card is revoked by the Commission, another certificate, license or registration card must not be issued to the same appraiser or intern for at least 1 year after the date of the revocation, or at any time thereafter except in the sole discretion of the Administrator, and then only if the appraiser or intern satisfies all the requirements for an original certificate, license or registration card.

4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 13. Chapter 645D of NRS is hereby amended by adding thereto a new section to read as follows:

1. A certified inspector shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to, a felony or any offense involving moral turpitude.

2. A certified inspector shall submit the notification required by subsection 1:

(a) Not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere; and

(b) When submitting an application to renew a certificate issued pursuant to this chapter.

Sec. 14. NRS 645D.135 is hereby amended to read as follows:

645D.135 1. Except as otherwise provided in this section, a complaint filed with the Division, all documents and other information filed with the complaint and all documents and other



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information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential ~~§~~ *and may be disclosed in whole or in part only as necessary in the course of administering this chapter or to a licensing board or agency or any other governmental agency, including, without limitation, a law enforcement agency, that is investigating a person who holds a certificate issued pursuant to this chapter.*

2. The complaint or other document filed by the Division to initiate disciplinary action and all documents and information considered by the Division when determining whether to impose discipline are public records.

Sec. 15. Chapter 116A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A community manager who holds a certificate and a reserve study specialist who holds a permit shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to, a felony or any offense involving moral turpitude.

2. A community manager or reserve study specialist shall submit the notification required by subsection 1 not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere.

Sec. 16. NRS 116A.270 is hereby amended to read as follows:

116A.270 1. Except as otherwise provided in this section, a complaint filed with the Division alleging a violation of this chapter or chapter 116 of NRS, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential ~~§~~ *and may be disclosed in whole or in part only as necessary in the course of administering this chapter or to a licensing board or agency or any other governmental agency, including, without limitation, a law enforcement agency, that is investigating a person who holds a certificate or permit issued pursuant to this chapter.*

2. The complaint or other charging documents filed with the Commission to initiate disciplinary action and all documents and other information considered by the Commission or a hearing panel when determining whether to impose discipline are public records.

Sec. 17. Chapter 119 of NRS is hereby amended by adding thereto the provisions set forth as sections 18 and 19 of this act.

Sec. 18. *1. Except as otherwise provided in this section, a complaint filed with the Division alleging a violation of this chapter, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to*



1 *initiate disciplinary action are confidential and may be disclosed*
2 *in whole or in part only as necessary in the course of*
3 *administering this chapter or to a licensing board or agency or*
4 *any other governmental agency, including, without limitation, a*
5 *law enforcement agency, that is investigating a person who holds*
6 *a license or permit issued pursuant to this chapter.*

7 *2. The complaint or other charging documents filed with the*
8 *Division to initiate disciplinary action and all documents and*
9 *other information considered by the Division or a hearing officer*
10 *when determining whether to impose discipline are public records.*

11 **Sec. 19. 1. A developer or registered representative shall**
12 **notify the Division in writing if he is convicted of, or enters a plea**
13 **of guilty or nolo contendere to, a felony or any offense involving**
14 **moral turpitude.**

15 **2. A developer or registered representative shall submit the**
16 **notification required by subsection 1:**

17 **(a) Not more than 10 days after the conviction or entry of the**
18 **plea of guilty or nolo contendere; and**

19 **(b) When submitting an application to renew a license, permit**
20 **or registration issued pursuant to this chapter.**

21 **Sec. 20. NRS 119.182 is hereby amended to read as follows:**

22 **119.182 1. The information submitted pursuant to NRS**
23 **119.140 must be given to and reviewed with each purchaser by the**
24 **broker or salesman before the execution of any contract for the sale**
25 **of any such property. The broker shall obtain from the purchaser a**
26 **signed receipt for a copy of the information and, if a contract for**
27 **disposition is entered into, the receipt and a copy of all contracts and**
28 **agreements must be kept in the broker's files within the State of**
29 **Nevada for 3 years or 1 year after final payment has been made on**
30 **any contract for the sale of property, whichever is longer, and is**
31 **subject to such inspection and audit as may be prescribed by**
32 **regulations of the Division.**

33 **2. The purchaser of any subdivision or any lot, parcel, unit or**
34 **interest in any subdivision, not exempted under the provisions of**
35 **NRS 119.120 or 119.122 may cancel, by written notice, the contract**
36 **of sale until midnight of the fifth calendar day following the date of**
37 **execution of the contract, and the contract must so provide. The**
38 **right of cancellation may not be waived. Any attempt by the**
39 **developer to obtain such a waiver results in a contract which is**
40 **voidable by the purchaser.**

41 **3. The notice of cancellation may be delivered personally to the**
42 **developer or sent by certified mail [for telegram] , return receipt**
43 **requested, to the business address of the developer.**

44 **4. The developer shall, within 15 days after receipt of the**
45 **notice of cancellation, return all payments made by the purchaser.**



1 **Sec. 21.** Chapter 119A of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 22 and 23 of this act.

3 **Sec. 22.** *1. Except as otherwise provided in this section, a*
4 *complaint filed with the Division alleging a violation of this*
5 *chapter, all documents and other information filed with the*
6 *complaint and all documents and other information compiled as a*
7 *result of an investigation conducted to determine whether to*
8 *initiate disciplinary action are confidential and may be disclosed*
9 *in whole or in part only as necessary in the course of*
10 *administering this chapter or to a licensing board or agency or*
11 *any other governmental agency, including, without limitation, a*
12 *law enforcement agency, that is investigating a person who holds*
13 *a license, registration or permit issued pursuant to this chapter.*

14 *2. The complaint or other charging documents filed with the*
15 *Administrator to initiate disciplinary action and all documents and*
16 *other information considered by the Administrator or a hearing*
17 *officer when determining whether to impose discipline are public*
18 *records.*

19 **Sec. 23.** *1. A sales agent, representative, manager,*
20 *developer or project broker shall notify the Division in writing if*
21 *he is convicted of, or enters a plea of guilty or nolo contendere to,*
22 *a felony or any crime involving moral turpitude.*

23 *2. A sales agent, representative, manager, developer or*
24 *project broker shall submit the notification required by*
25 *subsection 1:*

26 *(a) Not more than 10 days after the conviction or entry of the*
27 *plea of guilty or nolo contendere; and*

28 *(b) When submitting an application to renew a license,*
29 *registration or permit issued pursuant to this chapter.*

30 **Sec. 24.** NRS 119A.410 is hereby amended to read as follows:
31 119A.410 1. The purchaser of a time share may cancel, by
32 written notice, the contract of sale until midnight of the fifth
33 calendar day following the date of execution of the contract. The
34 contract of sale must include a statement of this right.

35 2. The right of cancellation may not be waived. Any attempt by
36 the developer to obtain a waiver results in a contract which is
37 voidable by the purchaser.

38 3. The notice of cancellation may be delivered personally to the
39 developer or sent by certified mail ~~for telegram~~ , *return receipt*
40 *requested*, to the business address of the developer.

41 4. The developer shall, within 15 days after receipt of the
42 notice of cancellation, return all payments made by the purchaser.



1 **Sec. 25.** Chapter 119B of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 26 and 27 of this act.

3 **Sec. 26.** *1. Except as otherwise provided in this section, a*
4 *complaint filed with the Division alleging a violation of this*
5 *chapter, all documents and other information filed with the*
6 *complaint and all documents and other information compiled as a*
7 *result of an investigation conducted to determine whether to*
8 *initiate disciplinary action are confidential and may be disclosed*
9 *in whole or in part only as necessary in the course of*
10 *administering this chapter or to a licensing board or agency or*
11 *any other governmental agency, including, without limitation, a*
12 *law enforcement agency, that is investigating a person who holds*
13 *a permit issued pursuant to this chapter.*

14 *2. The complaint or other charging documents filed with the*
15 *Administrator to initiate disciplinary action and all documents and*
16 *other information considered by the Administrator when*
17 *determining whether to impose discipline are public records.*

18 **Sec. 27.** *1. A developer shall notify the Division in writing*
19 *if he is convicted of, or enters a plea of guilty or nolo contendere*
20 *to, a felony or any crime involving moral turpitude.*

21 *2. A developer shall submit the notification required by*
22 *subsection 1:*

23 *(a) Not more than 10 days after the conviction or entry of the*
24 *plea of guilty or nolo contendere; and*

25 *(b) When submitting an application to renew a permit issued*
26 *pursuant to this chapter.*

